

Target Market Determination

Issuer:	Devizo Finance Pty Ltd ABN 21 622 104 527 through its agent, Payright Limited ABN 24 605 753 535 (Payright)
Product:	Buy-Now Pay-Later Consumer Credit Product (Payright BNPL Product)
Effective Date:	11 February 2022

1. About this document

This target market determination (TMD) has been prepared to assist consumers, distributors and staff to understand the target market for the Payright BNPL Product.

It also provides information on:

- Who the product is and is not suitable for
- How the product will be distributed to our customers;
- How often we will review this TMD and when the next review will be;
- The events and circumstances that could mean we need to review whether this TMD is still appropriate; and
- The information we would need in order to decide that this TMD is no longer appropriate.

This document is not to be treated as a full summary of the Payright BNPL Product's terms and conditions and is not intended to provide any financial advice. Consumers must refer to the Customer Terms and Conditions, their application and any other information which outline the relevant terms and conditions of the product when making a decision about this product.

Terms and Conditions to which this target market determination applies

This TMD applies to the Payright BNPL Product referred to in the Payright Consumer Terms and Conditions which are available at www.payright.com.au/terms-and-conditions and <https://bills.payright.com.au/bills>

2. What is the Payright BNPL Product?

The Payright BNPL Product is a continuing credit contract that can be used to make purchases to support or enhance a consumers lifestyle. Existing customers with consistent positive repayment history may be offered the option of using the Payright BNPL Product to pay eligible bills using Payright Bills service.

The key product attributes of the Payright BNPL Product are:

- Available for purchases ranging from \$1 to \$20,000 and can be repaid over terms ranging from 2 months to 5 years depending on the value of the purchase, the customer's preferences and merchant preferences;
- Available to existing high performing customers only and at Payright's invitation, to pay for eligible bills for up to \$1,000 and is repayable over 3 months.
- No interest is charged ever;
- Customer fees are payable and capped.

3. Who is the target market?

Who is the product suitable for?

The Payright BNPL Product is suitable for consumers who have the following needs, objectives or financial circumstances:

- are budget conscious
- seeking simple, easily accessible, controlled and affordable credit options;
- are looking for a revolving line of credit for purchases ranging between \$1 and \$20,000;
- to make purchases which support and enhance their and their families' lives and lifestyles with flexible repayment options that are both sustainable and budget appropriate or are existing customers, with consistent positive repayment history seeking to smooth cashflow by paying eligible bills of up to \$1,000 upfront and repaying them over 3 months using the Payright Bills service:
- who want an affordable credit product that has capped fees and does not charge interest;
- who have sufficient income to be able to afford credit at the level requested.

The key eligibility requirements of this Payright BNPL Product are:

- Customers must be at least 18 years of age and holders of Australian drivers' licence, passport or other Australian or New Zealand Government issued identity documentation as accepted by Payright and from which the customer's identity can be verified. Individuals must have a verifiable email address and Australian mobile number and have a source of income.
- The **key product attributes** of the Payright BNPL Product are:

- Credit limits of \$1 to \$20,000;
- Repayment terms of 2 months to 5 years depending on the value of the purchase, the customer's preferences and merchant preferences;
- Payment of eligible bills up to \$1,000 repayable over 3 months (existing customers with consistent positive repayment history by invitation only);
- No interest charged ever;
- Capped customer fees; and.
- Late payment fees capped at the lower of 10% of the customer approved credit limit or \$250 per annum.

These key product attributes align to the identified consumer needs and in particular, the Payright BNPL product has been developed to provide a solution to the identified the budget conscious consumer seeking a simple, easily accessible, controlled and affordable credit options for their purchases with flexible repayment options that are both sustainable and budget appropriate.

Who is this product not suitable for?

The Payright BNPL Product has not been designed for and is not suitable for individuals who:

- Want access to cash or a physical card to make purchases;
- Have no source of income;
- Require credit in an amount higher than \$20,000;
- Require credit for a period of less than 2 months or more than 5 years;
- Want to make a purchase in the name of a business entity for business related purposes (other than as a sole trader)
- Are looking to make purchases which are illegal or for an illegal purpose;
- Are looking to make purchases of gambling and betting products or services or purchases of weapons or firearms or related products and services;
- Are new to Payright customers looking to use the Payright Bills service;
- Are existing customers wanting to pay a bill greater than \$1,000 or a bill that is not an eligible bill type such as a penalty notice from a government authority.

4. How is this product distributed?

Distribution channels

The Payright BNPL Product is designed to be distributed through the following channels:

- Via Payright Merchants in-store, via telephone or face-to-face
- Via Payright Merchants through their online check-out
- Via the Payright App,
- For bill payments, only for existing customers with consistent positive repayment history who receive an offer from Payright inviting them to apply. If customers which to take up this offer the Application is made directly to Payright via the Payright website.

Distribution conditions and why they are appropriate

The Payright BNPL Product is subject to all of the following distribution conditions:

- For purchases, the Payright BNPL Product:
 - Can only be distributed via Payright Merchants to customers purchasing the Merchant's goods and services- This allows Payright to ensure that the Payright BNPL product is distributed via Payright merchants who are trained and supported by Payright to ensure the Payright product is sold appropriately and in line with consumer needs.
 - All applications for the Payright BNPL Product must be made by the customer directly to Payright either independently by the customer via the Payright App, the merchants ecommerce online checkout or the Payright application portal (with assistance from the merchant) – this enables Payright to control the application process such that credit is only offered to people who need credit within the available credit limits and who have a source of income to meet the repayment terms;
- For bill payments, the Payright BNPL Product is only available for existing customers with consistent and positive repayment history directly from Payright's webpage based application. This assists Payright to control how the product is explained to consumers and to limit the credit to appropriate bills and customers.

5. Reviewing this target market determination

Payright will review this TMD in accordance with the below:

Initial review	Within 12 months of the effective date.
Periodic reviews	At least every 2 years from the initial review.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited):</p> <ul style="list-style-type: none">• a material change to the design or distribution of the product, including related documentation such as fees, repayment terms, eligibility criteria, loan amount;• occurrence of a significant dealing (e.g. a large number of complaints);• distribution conditions found to be inadequate through a material increase in customer decline rates, customer complaints, increase in hardship applications, collections activity, write-offs or account closures that reasonably suggest the TMD is no longer appropriate;• any change in law, regulatory guidance or industry practice that may impact this TMD;• external events such as adverse media coverage or regulatory attention;• any other circumstances Payright may reasonably determine to be a review trigger.

Where a review trigger has occurred, this TMD will be reviewed within 10 business days.

6. Reporting and monitoring this target market determination

Payright may collect the following information from the distributors in relation to this TMD.

<p>Complaints</p>	<p>Distributors are required to report information about any complaints made to them about the Payright BNPL Product to Payright (including but not limited to):</p> <ul style="list-style-type: none"> • Number of complaints; • Nature of complaints; • Dates and circumstances surrounding the complaints. <p>Payright's Distributors must direct all customers who wish to complain about Payright BNPL Product to complaint directly to Payright. Distributors are not permitted to respond to or manage any complaints about the Payright BNPL Product directly. Payright will manage and respond to all complaints made by consumers and liaise with the Distributors as required.</p>
<p>Significant dealings</p>	<p>Distributors are required to report if they become aware of a significant dealing in relation to this TMD within 10 business days. A significant dealing may include:</p> <ul style="list-style-type: none"> • Significant distribution of the Payright BNPL Product outside the TMD. For example due to falsified application data, merchant or applicant fraud; • Becoming aware of a large number of complaints concerning the Payright BNPL Product or its distribution.
<p>Other information required</p>	<p>In addition to the information above, distributors will:</p> <ul style="list-style-type: none"> • provide any other information reasonably requested by Payright from time to time; and • annually attest to Payright that they have been distributing the Payright BNPL Product in accordance with the terms of this TMD, any application distribution agreement and any training, directions or communications provided by Payright during the reporting period.